HON'BLE SHRI G.S.SINGHVI, THE CHIEF JUSTICE
AND
HON'BLE SHRI JUSTICE C.V.NAGARJUNA REDDY

WRIT PETITION No.18397 OF 2007

Between:

Yarlagadda Sitaramaiah and others

. . .Petitioners

AND

Debts Recovery Tribunal, Visakhapatnam and another

. . .Respondents

:: ORDER ::

Counsel for the petitioners : Shri V.V.L.N.Sarma

11th September, 2007

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PER G.S.SINGHVI, CJ

After almost six years of the filing of an application by Vysya Bank Limited (for short 'the Bank') under the Recovery of Debts Due to Banks and Financial Institutions Act, 1993 (for short, 'the Act') for recovery of its dues, the petitioners have invoked the jurisdiction of this Court under Article 226 of the Constitution of India for quashing the proceedings of O.A.No.34 of 2001 and for staying the proceedings pending before Debts Recovery Tribunal, Visakhapatnam (for short, 'the Tribunal').

The petitioner's prayer for quashing the proceedings of the O.A. is mainly founded on their assertion that even though they had taken different amounts from the Bank and furnished separate securities, the latter has mischievously clubbed all the loans for the purpose of enabling the Tribunal to entertain the application filed under Section 19 of the Act. According to the petitioners, if the Tribunal is not restrained from continuing the proceedings of the O.A., they will be put to irreparable loss.

We have heard Shri V.V.L.N.Sarma, learned counsel for the petitioners and scrutinized the record.

In our opinion, the writ petition is liable to be dismissed because,

(1) the petitioners have approached the Court after a long time gap of six years and have not offered any explanation for the delay, and

(2) no order adversely effecting their right or interest has so far been passed by the Tribunal. If and as and when the

Tribunal adjudicates the application filed by the Bank and the decision is adverse to the rights or interests of the petitioners, they will be free to challenge the same by filing appeal under Section 20 of the Act, and there is no extraordinary reason for judicial interdiction by this Court at the interlocutory stage of the application instituted by the Bank.

In the result, the writ petition is dismissed leaving the petitioners free to pursue the objection already raised by them to the maintainability of the application filed by the Bank or, if law so permits, file objection to the jurisdiction of the Tribunal to entertain the application of the Bank.

As a sequel to dismissal of the writ petition, WPMP No.23615 of 2007 filed by the petitioners for interim relief is also dismissed.

G.S.SINGHVI, CJ

11th September, 2007

C.V.NAGARJUNA REDDY, J

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